

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the ranking member and the chairman for the very strong support of small businesses.

Let me say that I rise to support this authorization act because of the Microloan Program, the supporting of the National Women's Business Council Program, and as well the fact that we are not disturbing the 8(a) programs that help create jobs in America. Let me compliment my own small business regional office and Mr. Wilson, and I hope that we will continue to stand on the side of small businesses.

Mr. TALENT. Mr. Speaker, I would be happy to yield if the gentleman wants a little more time. I yield 1 minute to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Speaker, I would like to take this time to thank the chairman of our committee, the gentleman from Missouri [Mr. TALENT], for all of the kindnesses that he has shown me in his position. He has proven himself to be an excellent chairman, certainly one that has been a pleasure for me to work with. He has the ability to be both gentle, cooperative and firm all at the same time, and I am sure that he is going to go on to great things in life, not only in the House of Representatives, but perhaps even higher.

I also want to extol our staff. My tremendous staff, both Tom Powers, Jeanne Roslanowick and others, but also the majority staff. They have tremendous expertise and dedication; they have worked together as one staff in order to produce the best possible bill, regardless of politics, regardless of partisanship. So it has been a pleasure for me to work with all of them on this reauthorization bill.

Mr. TALENT. Mr. Speaker, in closing, I yield myself such time as I may consume.

I want to echo the remarks of the gentleman from New York [Mr. LAFALCE], except in reverse. It has been a great pleasure this year to work with him. We all know that the gentleman knows how to be firm; he also does know how to be, and has been consistently, cooperative, and I have been very grateful to him for that.

Also, I want to recognize the great depth of his knowledge in this field. We are passing, I hope and believe today, yet another reauthorization bill, and it will reflect yet again his great influence and his great expertise in this area.

I want to thank also the members on both sides of the committee. The House has heard many of them today, and I am proud to chair a committee with so many committed and dedicated individuals.

Mr. Speaker, this legislation is the product of bipartisan and bicameral efforts to reauthorize the Small Business Administration through fiscal year 2000. It reflects the efforts of many in-

dividuals and committees and their staffs. I would like to thank the gentleman from Wisconsin [Mr. SENSENBRENNER], the chairman of the Committee on Science; and the gentleman from California [Mr. BROWN], his ranking member, for their work on H.R. 2429, which has in large part become section 501 of this legislation. I would also like to express my appreciation to their staff who worked on this.

I would also like to thank the gentleman from Arizona [Mr. STUMP], the chairman of the Committee on Veterans' Affairs, and the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules, along with their staffs, for their help in working on title VII of this legislation. As I have already said, I want to extend my thanks and appreciation to the gentleman from New York [Mr. LAFALCE], the committee's ranking member, for his help in crafting this legislation.

Finally, I would like to acknowledge the Committee on Small Business staff who worked on this bill: Emily Murphy, Mary McKenzie, Kiki Kless, Paul Denham, Charles "Tee" Rowe, and Harry Katrichis for the majority, and Jeanne Roslanowick, Steve McSpadden and Tom Powers for the minority.

I urge my colleagues, in closing, to vote for this important piece of legislation.

Mrs. MINK of Hawaii. Mr. Speaker, I rise today to express my concerns regarding S. 1139, the Small Business Authorization Act. I will vote for this bill because it is essential for the continuation of programs which assist small businesses in this country. However, I have serious concerns regarding a specific provision included by the Senate, which could impact the current 8(a) program for minority- and women-owned businesses.

S. 1139 establishes a new program to increase access to Federal contracts for small businesses in economically distressed areas. While the goal of this new HUBZone program seems laudable enough, I have strong reservations regarding its potential impact on the existing and successful 8(a) program for minority- and women-owned businesses.

It is no secret that many in the majority want to get rid of the 8(a) program and other forms of affirmative action. I fear that the establishment of these HUBZones is a backdoor attempt to weaken 8(a) and affirmative action.

The 8(a) program is specifically targeted to assist businesses owned by minorities and women, which have historically had difficulty in obtaining contracts and subcontracts from the Federal Government. The new HUBZone program would be open to all small businesses within these zones, not just those which are disadvantaged in any way. And these businesses within the HUBZones will compete with the 8(a) businesses for the limited number of Federal contracts.

Also of concern is that under this provision Federal agencies would be allowed to use sole-source contracts in HUBZones which cuts out the competitive nature of Federal contracting altogether, and further erodes opportunities for 8(a) businesses.

The Senate has failed to provide enough funding for the administration of this new program. The Congressional Budget Office esti-

mates that \$12 million is needed annually to implement the HUBZone program. The bill provides only \$1.2 million. This raises concerns regarding adequate oversight and evaluation of this new program. If we are to accurately assess whether this new program is affecting the 8(a) program we need to have the appropriate monitoring systems in place. The lack of funding causes concerns in this regard.

Mr. Speaker, I have discussed these concerns with the Administrator of the Small Business Administration, who assured me that the Administration will closely monitor this new program and its impact on the 8(a) program. She also indicated that in administering the HUBZone program, they would take steps necessary to assure that 8(a) was not adversely impacted.

Mr. Speaker, had this bill come up under regular order, and not under the expedited suspension procedures we would have had the opportunity to address many of our concerns through the amendment process. As we are in the last 2 days of the congressional session this year, I understand the need to utilize expedited procedures to assure that critical small business programs are funded.

Therefore, I will support this bill. I note for the RECORD that I will watch closely the development of this program and monitor its impact on the 8(a) minority- and women-owned business program.

Mr. TALENT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from Missouri [Mr. TALENT] that the House suspend the rules and concur in the Senate amendment to the House amendment to S. 1139.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment to the House amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TALENT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1139, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

MICROCREDIT FOR SELF-RELIANCE ACT OF 1997

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1129) to establish a program to provide assistance for programs of credit and other assistance for microenterprises in developing countries, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1129

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Microcredit for Self-Reliance Act of 1997".

SEC. 2. FINDINGS AND DECLARATIONS OF POLICY.

The Congress makes the following findings and declarations:

(1) More than 1,000,000,000 people in the developing world are living in severe poverty.

(2) According to the United Nations Children's Fund (UNICEF), mortality for children under the age of 5 averages 100 child deaths per thousand for all developing countries, with nearly double that rate in the poorest countries.

(3) Nearly 35,000 children die each day from largely preventable malnutrition and disease.

(4)(A) Women in poverty generally have larger work loads, and less access to educational and economic opportunities than their male counterparts.

(B) Directly aiding the poorest of the poor, especially women, in the developing world has a positive effect not only on family incomes, but also on child nutrition, health and education, as women in particular reinvest income in their families.

(5)(A) The poor in the developing world, particularly women, generally lack stable employment and social safety nets.

(B) Many turn to self-employment to generate a substantial portion of their livelihood.

(C) These poor entrepreneurs are often trapped in poverty because they cannot obtain credit at reasonable rates to build their asset base or expand their otherwise viable self-employment activities.

(D) Many of the poor are forced to pay interest rates as high as 10 percent per day to money lenders.

(6)(A) On February 2-4, 1997, a global microcredit summit was held in Washington, District of Columbia, to launch a plan to expand access to credit for self-employment and other financial and business services to 100,000,000 of the world's poorest families, especially the women of those families, by 2005.

(B) With five to a family, achieving this goal will mean that the benefits of microcredit will thereby reach nearly half of the world's more than 1,000,000,000 absolute poor.

(7)(A) The poor are able to expand their incomes and their businesses dramatically when they can access loans at reasonable interest rates.

(B) Through the development of self-sustaining microcredit programs, poor people themselves can lead the fight against hunger and poverty.

(8)(A) Nongovernmental organizations such as the Grameen Bank, Accion International, and the Foundation for International Community Assistance (FINCA) have been successful in lending directly to the very poor.

(B) These institutions generate repayment rates averaging 95 percent or higher, demonstrating the bankability of the poorest.

(C) International organizations such as the International Fund for Agricultural Development (IFAD) and the United Nations Development Program (UNDP) have demonstrated success in supporting microcredit programs.

(9)(A) Microcredit institutions not only reduce poverty, but also reduce the dependency on foreign assistance.

(B) Interest income on a credit portfolio can be used to pay recurring institutional costs, assuring the long-term sustainability of development assistance.

(10) Microcredit institutions leverage foreign assistance resources because loans are recycled, generating new benefits to program participants.

(11) The development of sustainable microcredit institutions which provide credit and training, and mobilize domestic savings, are

critical components to a global strategy of poverty reduction and broad based economic development.

(12)(A) In 1994, the United States Agency for International Development launched a microenterprise initiative in partnership with the Congress.

(B) The initiative committed to expanding funding for the microenterprise programs of the Agency, and set a goal that, by the end of fiscal year 1996, half of all microenterprise resources would support programs and institutions providing credit to the poorest, with loans under \$300.

(C) In order to achieve the goal of the microcredit summit, increased investment in microcredit institutions serving the poorest will be critical.

(13) Providing the United States share of the global investment needed to achieve the goal of the microcredit summit will require only a small increase in United States funding for international microcredit programs, with an increased focus on institutions serving the poorest.

(14)(A) In order to reach tens of millions of the poorest with microcredit, it is crucial to expand and replicate successful microcredit institutions.

(B) These institutions need assistance in developing their institutional capacity to expand their services and tap commercial sources of capital.

(15) Nongovernmental organizations have demonstrated competence in developing networks of local microcredit institutions so that they reach large numbers of the very poor, and achieve financial sustainability.

(16) Recognizing that the United States Agency for International Development has developed very effective partnerships with nongovernmental organizations, and that the Agency will have fewer missions to carry out its work, the Agency should place priority on investing in these nongovernmental network institutions through the central funding mechanisms of the Agency.

(17) By expanding and replicating successful microcredit institutions, it should be possible to create a global infrastructure to provide financial services to the world's poorest families.

(18)(A) The United States Agency for International Development can provide leadership to other bilateral and multilateral development agencies as such agencies expand their support to the microenterprise sector.

(B) The United States Agency for International Development should seek to improve coordination of donor efforts at the operational level to promote the use of best practices in the provision of financial services to the poor and to ensure that adequate institutional capacity is developed.

(19) Through expanded support for microcredit, especially credit for the poorest, the United States Agency for International Development can continue to play a leadership role in the global effort to expand financial services and opportunity to 100,000,000 of the poorest families on the planet.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to provide for the continuation and expansion of the commitment of the United States Agency for International Development to the development of microenterprise institutions;

(2) to make microenterprise development the centerpiece of the overall economic growth strategy of the United States Agency for International Development;

(3) to support and develop the capacity of United States and indigenous nongovernmental organization intermediaries to provide credit, savings, and training services to microentrepreneurs;

(4) to increase the amount of assistance devoted to credit activities designed to reach the poorest sector in developing countries, and to improve the access of the poorest, particularly women, to microenterprise credit in developing countries; and

(5) to encourage the United States Agency for International Development to provide global leadership in promoting microenterprise for the poorest among bilateral and multilateral donors.

SEC. 4. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

Section 108 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151f) is amended to read as follows:

"SEC. 108. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

"(a) FINDINGS AND POLICY.—The Congress finds and declares that—

"(1) the development of micro- and small enterprise, including cooperatives, is a vital factor in the stable growth of developing countries and in the development and stability of a free, open, and equitable international economic system;

"(2) it is, therefore, in the best interests of the United States to assist the development of the private sector in developing countries and to engage the United States private sector in that process;

"(3) the support of private enterprise can be served by programs providing credit, training, and technical assistance for the benefit of micro- and small enterprises; and

"(4) programs that provide credit, training, and technical assistance to private institutions can serve as a valuable complement to grant assistance provided for the purpose of benefiting micro- and small private enterprise.

"(b) PROGRAM.—To carry out the policy set forth in subsection (a), the President is authorized to provide assistance to increase the availability of credit to micro- and small enterprises lacking full access to credit, including through—

"(1) loans and guarantees to credit institutions for the purpose of expanding the availability of credit to micro- and small enterprises;

"(2) training programs for lenders in order to enable them to better meet the credit needs of micro- and small entrepreneurs; and

"(3) training programs for micro- and small entrepreneurs in order to enable them to make better use of credit and to better manage their enterprises.

"(c) ELIGIBILITY CRITERIA.—The Administrator of the United States Agency for International Development shall establish criteria for determining which entities described in subsection (b) are eligible to carry out activities, with respect to microenterprises, assisted under this section. Such criteria may include the following:

"(1) The extent to which the recipients of credit from the entity do not have access to the local formal financial sector.

"(2) The extent to which the recipients of credit from the entity are among the poorest people in the country.

"(3) The extent to which the entity is oriented toward working directly with poor women.

"(4) The extent to which the entity recovers its cost of lending to the poor.

"(5) The extent to which the entity implements a plan to become financially sustainable."

SEC. 5. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new section:

"SEC. 129. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

"(a) AUTHORIZATION.—(1) In carrying out this part, the Administrator of the United States Agency for International Development is authorized to provide grant assistance for programs of credit and other assistance for microenterprises in developing countries.

"(2) Assistance authorized under paragraph (1) shall be provided through organizations that have a capacity to develop and implement microenterprise programs, including particularly—

"(A) United States and indigenous private and voluntary organizations;

"(B) United States and indigenous credit unions and cooperative organizations; or

"(C) other indigenous governmental and nongovernmental organizations.

"(3) Approximately one-half of the credit assistance authorized under paragraph (1) shall be used for poverty lending programs, including the poverty lending portion of mixed programs. Such programs—

"(A) shall meet the needs of the very poor members of society, particularly poor women; and

"(B) should provide loans of \$300 or less in 1995 United States dollars to such poor members of society.

"(4) The Administrator should continue support for mechanisms that—

"(A) provide technical support for field missions;

"(B) strengthen the institutional development of the intermediary organizations described in paragraph (2); and

"(C) share information relating to the provision of assistance authorized under paragraph (1) between such field missions and intermediary organizations.

"(b) MONITORING SYSTEM.—In order to maximize the sustainable development impact of the assistance authorized under subsection (a)(1), the Administrator shall establish a monitoring system that—

"(1) establishes performance goals for such assistance and expresses such goals in an objective and quantifiable form, to the extent feasible;

"(2) establishes performance indicators to be used in measuring or assessing the achievement of the goals and objectives of such assistance; and

"(3) provides a basis for recommendations for adjustments to such assistance to enhance the sustainable development impact of such assistance, particularly the impact of such assistance on the very poor, particularly poor women."

SEC. 6. MULTILATERAL COOPERATION WITH THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT.

(a) FINDINGS.—The Congress finds the following:

(1)(A) The International Fund for Agricultural Development ("IFAD") has as its mission serving the poorest of the poor in rural areas.

(B) IFAD has had two decades of experience in assisting the economic development of the rural poor.

(2) IFAD has been a significant supporter of microenterprise and other microfinance activities for the rural poor almost since its inception and it was the first international institution to assist the Grameen Bank.

(3) IFAD can make a significant contribution to developing a global network of sustainable microenterprise and other microfinance institutions which serve the very poor through support for nongovernmental organizations and other community-based microcredit institutions.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the United States Agency for International Development, in carrying out sec-

tions 108 and 129 of the Foreign Assistance Act of 1961, as added by sections 4 and 5 of this Act, respectively, shall seek to cooperate with IFAD in order to compliment and expand the activities of IFAD, especially with respect to institutional development; and

(2) the United States should continue to support and contribute to the activities of IFAD, especially activities related to microenterprise and microfinance, including the Microfinance Capacity Building Grant Initiative.

SEC. 7. UNITED NATIONS DEVELOPMENT PROGRAM'S MICROSTART PROGRAM.

It is the sense of the Congress that—

(1) the Microstart Program established by the United Nations Development Program (UNDP) represents an important new initiative; and

(2) the President should instruct the United States representative to the United Nations to use the voice and vote of the United States to support the Microstart Program of the United Nations Development Program.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] and the gentleman from Connecticut [Mr. GEJDENSON] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, H.R. 1129, the Microcredit for Self-Reliance Act of 1997, was introduced last March by a distinguished member of our committee, the gentleman from New York [Mr. HOUGHTON], along with the gentleman from Ohio [Mr. HALL]. The bill is an impressive work that has gained over 90 cosponsors from both sides of the aisle. I want to thank the gentleman from New York [Mr. HOUGHTON] and the gentleman from Ohio [Mr. HALL] for their work on this important issue. They have become the best allies of my colleague from Connecticut [Mr. GEJDENSON] and myself on our work to promote microenterprise development.

Mr. Speaker, over the years many of us have become aware of Dr. Yunus's Grameen Bank and the 98 percent repayment rate that his bank has received for loans to the poorest of the poor who never had any prior access to credit. Microenterprise lending has now become widespread throughout the world, helping people lift themselves out of poverty. This example has now hit home where microcredit activities are lifting Americans out of poverty in cities such as Boston, New York, and Los Angeles. I especially commend the gentlewoman from Florida [Ms. ROSELEHTINEN] for her work on this issue.

Two years ago the gentleman from Connecticut [Mr. GEJDENSON] and I joined together to pass the Microenterprise Act. After weeks of negotiations, we were finally able to hammer out an agreement acceptable to the administration, to Congress, and to outside groups, including Results and the Microenterprise Coalition. That bill passed the House with flying colors, but regrettably was held up in the Senate by 1 Senator who linked the bill to extraneous issues.

Today the gentleman from Connecticut [Mr. GEJDENSON] and I are asking the House to pass this bill once again and to work with our colleagues in the Senate to seek its adoption in the other body.

In committee, we amended the initial bill to delete any earmarks and inserted the text of the Microenterprise Act that enjoys the support of both the administration and the Senate Committee on Foreign Affairs, and while the gentleman from Connecticut [Mr. GEJDENSON] and I would want AID to spend more money on microenterprise activities, we recognize at this late date that we have to work with the administration in order to get a bill hotlined in the Senate and signed by the President. We were pleased to welcome the First Lady to our Committee on International Relations just this past summer to rededicate ourselves to AID's microenterprise initiative.

In summary, the bill before us does a number of important things. It underscores microenterprise activities as one of the most important parts of our development assistance programs. It rewrites a long defunct section of the Foreign Assistance Act to govern microenterprise credits. These credits should focus on the poor, especially on women. It adds a section to the Foreign Assistance Act governing microenterprise grants. It clearly states that one-half of the credit assistance should be provided in loans of \$300 or less and requires AID to report back to us on just how they are reaching the poorest of the poor.

Finally, it commends other leading micro-finance organizations like the International Fund for Agricultural Development and the United Nations Development Program for taking the multilateral lead in the microcredit world. Earlier this year, we came together at the Microcredit Summit in Washington, the first summit ever organized by an NGO. At that time, we dedicated ourselves to providing credit to half the world's poor in the next decade. AID's funding for microcredit is currently falling short of that goal, and we are hoping that this bill will help reenergize their efforts and ours to foster this important program.

In sum, I urge the adoption of this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. GEJDENSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. HALL],

the author of the legislation, a gentleman who has put in a great effort, not just here today, but through the years in the area of the poor and the needy.

Mr. HALL of Ohio. Mr. Speaker, I want to thank the gentleman from Connecticut [Mr. GEJDENSON], for his very kind remarks and certainly his leadership on the committee and his work on microenterprise; the gentleman from New York [Mr. GILMAN], for his work for many years now; and the gentleman from Tennessee [Mr. CLEMENT] for his great support, the gentleman from Florida [Mrs. ROSELEHTINEN] for her tremendous support on the subcommittee, and certainly the gentleman from New York [Mr. HOUGHTON], the chief sponsor of the bill. He has shown great leadership on the bill. He is real fighter for programs, as all of these Members of Congress are. They are certainly fighters that help the poor to help themselves, and there is no better example of such assistance than microcredit programs.

I am a firm believer that if we invest in the poor through programs such as microcredit and basic education, child survival types of activities and rural development, if we help the poor to gain access to the marketplace and share in the benefits of economic growth, the returns will justify such investments many times over. In terms of political, economic and social stability, they will reap the benefits.

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The bill before us today represents a significant compromise from our original proposal. It is certainly not everything we wanted, and in my view, we have much more work to do.

The initial purpose of H.R. 1129 was to show support for a firm U.S. commitment to the 1997 microcredit summit goal of reaching 100 million of the world's poorest families, especially the women of those families. The goal is widely supported by the administration, the World Bank and other financial institutions, and many, many world leaders who pledged their support at the microcredit summit.

Not long ago the First Lady came up to the Hill to help kick off USAID's renewed commitment to its microenterprise initiative. In that spirit our bill called for a greater investment of our foreign aid dollars in microcredit projects. The unfortunate irony is that despite all of this broad, resounding support, funding is being cut in this area. Only \$120 million was requested for microcredit programs in fiscal year 1998, down from \$140 million in 1997.

I fully understand that cuts in development assistance have made tough choices necessary, but many of us have fought hard against further cuts in development assistance. I would hope that we have reached a point where such cuts have finally bottomed out.

I would also emphasize that during the period from fiscal year 1988 through fiscal year 1991, we had a legislative

earmark for microcredit programs in place. In my view, if an earmark is what it takes to maintain adequate funding levels for this important program, and the evidence clearly supports that position in this case, then it ought to be reinstated.

I also regret that provisions calling for stronger U.S. support for rural microcredit programs implemented by IFAD were dropped from the bill. IFAD is a small but effective agency focused uniquely on combatting rural poverty and hunger at the grassroots level.

Despite its shortcomings this bill does, nonetheless, lay important groundwork for future strengthening of these programs. It retains small but important gains for microcredit programs. So even though I think we can and should be doing more in this area, this bill marks an important step forward for microcredit programs.

I certainly urge my colleagues to support it, and I want to thank the committee for moving on this bill.

Mr. GILMAN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from New York [Mr. HOUGHTON], a member of our committee.

Mr. HOUGHTON. Mr. Speaker, I would like to stand in strong support of H.R. 1129. It is the right bill, it is the right time. It is not enough money, but it is as good as we could possibly do under the circumstances. I think the direction is absolutely solid, right on. It complements the USAID program. I do not think there is any question about that. I believe there is no opposition to that.

Mr. Speaker I would like to, if I could, just mention several names of people: Obviously, the gentleman from Ohio, Mr. HALL, has been a tremendous sponsor of this; and the gentleman from Connecticut, Mr. GEJDENSON, and my chairman; the gentleman from New York, Mr. GILMAN, the gentleman from Indiana, LEE HAMILTON, the gentleman from Florida, Ms. ILEANA ROSELEHTINEN, the gentleman from Texas, Mr. DICK ARMEY, for letting us bring this thing to the floor.

I would also like to mention several other individuals: The gentleman from Colorado Mr. DAN SCHAEFER, the gentleman from California, Mr. ESTEBAN TORRES, the gentleman from New York, Mr. JIM WALSH, the gentleman from Hawaii, Mr. NEIL ABERCROMBIE, the gentleman from North Carolina, Mr. MEL WATT, the gentleman from Kentucky, Mr. RON LEWIS, the gentleman from Michigan, Mr. DAVE BONIOR, the gentleman from Alaska, Mr. DON YOUNG, the gentleman from Washington, Mr. JIM MCDERMOTT, the gentleman from Ohio, Mr. STEVE CHABOT, the gentleman from Vermont, Mr. BERNIE SANDERS. Members can see we have a real spectrum of people in support here.

Also there is an important outside group called RESULTS, particularly Jo Ann Carter and Leila Nimatallah, who really have promoted this bill along and have had a great deal to do with the microcredit summit.

Mr. Speaker, very briefly, this original bill increased the amount of money for USAID. That was not possible because of the budget restrictions. It was pared down. Now we have a lesser amount of money. The new version of the bill does not provide any additional funds for this program.

But what the bill does is to instruct the people at USAID to the best of their ability to ensure that half of these moneys go to people who are requiring \$300 or less, think of it, \$300 or less, to start little businesses; really, the poorest of the poor, as the chairman has mentioned. It is an absolutely great idea.

The concept that Mr. Yousef in Bangladesh started is something I think that really could have enormous impact in the rest of the world. We also have monitoring positions here, and we are going to watch the implementation of the program so it does not get out of hand.

So very briefly, Mr. Speaker, since so much already has been said about this, I urge my colleagues to support this bill today. It is a truly bipartisan measure.

Mr. GEJDENSON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, I thank the gentleman from Connecticut for yielding time to me.

Mr. Speaker, I rise in strong support of H.R. 1129, the Microcredit for Self-Reliance Act of 1997. In particular, I would like to thank my friends and colleagues, the gentleman from New York, Mr. AMO HOUGHTON, and also the gentleman from Ohio, Mr. TONY HALL, for seeing that the issue of microfinance and microcredit receives congressional attention. I am a cosponsor of this bill, and very supportive of microcredit and the aim of thoughtfully assisting the poor who wish to help themselves.

Microcredit is a responsible and effective tool in fighting poverty. I have heard a number of stories that tell of the successes of microcredit. One of many examples is that of a woman in Bangladesh whose husband had died. Without any income, she was forced to sell all of her possessions to feed her little girl. She was forced to go from shack to shack, begging to sleep on the dirt floors of those who were barely better off than she.

A microcredit representative came to her village and told her that she could get a loan to help her improve her position; imagine that, a woman who had lost her husband, lost all of her possessions, so poor that she was forced to beg to live on floors of her neighbors.

This woman is told that she can have a loan; not a big loan, a loan that was under \$40. How powerful and empowering is someone saying, I have faith in you and we are going to give you a chance. The microcredit representative in her community helped her develop a business plan. She purchased a hen. She would keep some of the eggs for her daughter and herself, and sell the

rest. Soon she was able to pay off the loan and buy some goats. Now she has a small farm and home, all of this from a \$40 loan. She was begging to live on dirt floors, and because someone was willing to give her a small loan, she was able to become a strong contributing member of her society.

There are many stories like this that have been shared by others already today. How can we not feel good and want to encourage programs such as this? In hearings on this issue, my colleagues on the Committee on International Relations were very accepting and positive in their discussions of the Houghton-Hall bill.

Ironically, USAID assistance to microcredit for fiscal year 1998 is \$20 million less than it was in fiscal year 1994, despite the effectiveness of microcredit programs, with loan repayments of over 90 percent. It seems that the logical step would be an increase, rather than a decrease, of our earmarks for microcredit. We must work to guarantee that these recommendations be understood as a legislative distinction intended to reach those at the very bottom of the economic ladder, thereby ensuring we sufficiently reach those with the greatest need.

Having said that, I will support the Gilman compromise bill, noting that it is a beginning. More needs to be done to expand and protect effective microcredit funding. I look forward to working with my colleagues in microcredit initiatives as we work to creatively find ways to assist those with the greatest need.

Mr. GILMAN. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Nebraska [Mr. BEREUTER], the chairman of our committee.

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from New York for yielding me the time.

Mr. Speaker, I want to speak in strong support of the Houghton resolution. I think it is very important in many ways. I know I first became familiar with the kind of microenterprise work when FINCA came to the Hill and talked about their work in the Central Andes countries. We knew, of course, about the Gramine Bank and its wonderful work.

The amount of money that really makes a difference, a very small loan, usually very rapidly repaid, can really turn around a person and a family's life. I think we ought to be spending more of our resources here. It is a big bargain.

I commend the gentleman for his effort, and all of the people who have supported this legislation which the gentleman from New York [Mr. HOUGHTON] generously listed, and the many Members who are very supportive of this legislation. I urge its strong support.

Mr. GEJDENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say a few words myself, obviously to commend the participants, the chairman of the committee, the gentleman from New York [Mr. HOUGHTON] and the gentleman from Ohio [Mr. HALL], and others who have been involved in this; also, the First Lady, for coming here to renew our commitment to microenterprise loans, and clearly Mr. Atwood, who has done a spectacular job with this program. Without Mr. Atwood's help on this and leadership, we would not be where we are today.

I would like to take one moment to tell a family story. My family came to this country in 1950. My parents had survived Hitler and Stalin. I was born in a refugee camp run by the United Nations in Germany. We got to New York in October 1949. My father spent a little time in New York and in Boston, the family did, and he wanted to work for himself.

There was an organization called the Gmeeloos Hessed that gave no-interest loans under the assumption that when you made it, you paid it back and kicked in a little for the next folks. That enabled us to buy the dairy farm that my family still lives on.

When we look around globally, there is probably no program that this country has ever been involved in that has really had the kind of positive impact in so many ways, not just for the individuals who get the loan, but what we find is many of these loans, like from the Gramine Bank, end up going to women, with a repayment rate far higher than loans that go to people in very high incomes. The repayment rate here is above 90 percent.

What we find is oftentimes these women end up bringing their husbands into the business because they need assistance, and as a result of that they end up decreasing the surplus of day laborers, which means everybody in the village does a little better.

So again, Mr. Speaker, I would say to the gentleman from Nebraska [Mr. BEREUTER], the gentleman from New York [Mr. HOUGHTON], and all our friends on both sides of the aisle, this is a great program. It is something that we as Americans can be very proud of that we continue to do this.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the kind gentleman from Connecticut for yielding time to me. I know his passion. I appreciate the leadership of the chairman of the committee, the gentleman from New York [Mr. GILMAN], on this issue as well.

Mr. Speaker, let me talk from personal experience, for I think today being a day that many Americans gather to worship, there is a parable, if you will, that is somewhat similar to a discussion that many have about how we help those who help themselves. Certainly there is the issue of how Jesus fed the multitude at the moun-

tain, taking a couple of fishes and loaves of bread and multiplying it into serving a multitude of people.

There is also a phenomenon that says, it is better to teach someone how to fish than to give them the fish.

□ 1730

This is what this program represents. These microloans are a statement of self-reliance. They are, in fact, a strong response to individuals in the international arena being able to help themselves. In particular, I have seen these loans work in places like Africa, where the women, who have traditionally been the market women in Africa, have used a lot of these microloans to in fact engage in enhancing and encouraging their business.

Microenterprises are very small, informally organized businesses. Other than those that grow crops, often microenterprises employ just one person, the owner-operator, or microentrepreneur. In some lower income countries, however, microenterprises employ a third or more of the labor. The Microenterprise Program is targeted at businesses run by employing the poor, and it helps them by increasing their income and their assets. It raises their skills and productivity, and it helps them form organizations.

It is interesting, the kinds of businesses around which these microenterprises can actually exist. They can sell, for example, one product. They can be a soda selling entity in a little booth with cups and sodas, and out of that they can raise and help to build their families. It only takes one particular product that they might be selling.

In so doing, let me say that we help to have an impact on the foreign aid we have to give. We help to have an impact on the growing economies of these countries. We also help to have an impact on their self-reliance and their feeling about themselves. The programs receiving USAID funding incorporate the following principles: The commitment of significant outreach of services, continued focus on women and the very poor, the very backbone of these nations. Many of these women are heads of households and also are the basic structure of the family. The microcredit does erase poverty. And for those who are aware of the hunger around the world, we recognize that that is one the best solutions, is to provide the independence that is needed.

I want to compliment this program, as well, for what it provides to women, the access to credit. And as well as it gives them access to credit, it helps them educate women in nations like India, in nations like Southeast Asia, as well as those in Africa and other parts of the world.

It has been well documented that educated women have fewer children and more time between births and, therefore, fewer health problems and healthier children. I would certainly say that this is a right direction.

I thank my colleagues for their leadership, and I urge my colleagues as well to vote for H.R. 1129.

Mr. Speaker, I rise today in strong support of H.R. 1129, the Microcredit for Self-Reliance Act. H.R. 1129 grants express authority to the United States Agency for International Development [USAID] to provide grants and loans in support of microenterprise programs in developing countries. The legislation directs that approximately one-half of the grant assistance provided under the USAID's program be used by poverty lending programs to the very poor, particularly poor women, under which loans of \$300 or less are provided. I especially would like to thank Mr. Hall of Ohio for his authorship and leadership on this very important bill.

Microenterprises are very small, informally organized businesses, other than those that grow crops. Often microenterprises employ just one person, the owner-operator or "micro-entrepreneur." In some lower-income countries, however, microenterprises employ a third or more of the labor force.

Importantly, the Microenterprise program is targeted at businesses run by and employing the poor. The Microcredit programs seeks to help the poor increase their income and assets, raise their skills and productivity, and form organizations that facilitate their more effective participation in society. In so doing, programs receiving USAID funding incorporate the following principles: a commitment to significant outreach of services, a continued focus on women and the very poor, a striving for sustainability and financial self-sufficiency, an adherence to rigorous performance standards, a sharing of information on best practices, and a fostering of innovation in programs.

Microcredit is a poverty eradication program. It is a program that provides opportunity and independence to the poor and to impoverished women in particular. In fact, more than 90 percent of microcredit loans have gone to women. Providing women access to microcredit enables them to open their own businesses and in so doing helps to build independence in male-dominated cultures.

Access to microcredit helps to educate women. It raises their income and, thus, that of their families. It has been well-documented that educated women have fewer children, have more time between births, and, therefore, have fewer health problems and have healthier children.

I urge my colleagues to vote for H.R. 1129 and in so doing, signal their support for this important program that does so much to empower women and improve the quality of life for impoverished families around the world.

Mr. PAYNE. Mr. Speaker, I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATHAM). The question is on the motion offered by the gentleman from New York [Mr. GILMAN] that the House suspend the rules and pass the bill, H.R. 1129, as amended.

The question was taken.

Mr. GILMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

EXPRESSING SENSE OF CONGRESS WITH RESPECT TO GERMAN GOVERNMENT'S DISCRIMINATION AGAINST MEMBERS OF MINORITY RELIGIOUS GROUPS

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 22) expressing the sense of the Congress with respect to the discrimination by the German Government against members of minority religious groups, particularly the continued and increasing discrimination by the German Government against performers, entertainers, and other artists from the United States associated with Scientology, as amended.

The Clerk read as follows:

H. CON. RES. 22

Whereas since World War II, Germany has been a friend and ally of the United States; Whereas German government discrimination against members of minority religious groups, particularly against United States citizens, has the potential to harm the relationship between Germany and the United States;

Whereas artists from the United States associated with certain religious minorities have been denied the opportunity to perform, have been the subjects of boycotts, and have been the victims of a widespread and well-documented pattern and practice of discrimination by German Federal, State, local, and party officials;

Whereas the 1993, 1994, 1995, and 1996 United States Department of State Country Reports on Human Rights in Germany all noted government discrimination against members of the Church of Scientology in Germany;

Whereas the German State of Baden-Wuerttemberg barred Chic Corea, the Grammy Award-winning American jazz pianist, from performing his music during the World Athletics Championship in 1993, and in 1996 the State of Bavaria declared its intention to bar Mr. Corea from all future performances at State sponsored events solely because he is a member of the Church of Scientology;

Whereas the Young Union of the Christian Democratic Union and the Social Democratic Party orchestrated boycotts of the movies "Phenomenon" and "Mission Impossible" solely because the lead actors, Americans John Travolta and Tom Cruise, are members of the Church of Scientology;

Whereas members of the Young Union of the Christian Democratic Union disrupted a 1993 performance by the American folk music group Golden Bough by storming the stage solely because the musicians are members of the Church of Scientology;

Whereas the Evangelical Christian Church of Cologne, led by an American clergyman, Dr. Terry Jones, had its tax-exempt status revoked by the German government with the reason being that the church benefits to society were of "no spiritual, cultural, or material value";

Whereas the German government is constitutionally obligated to remain neutral on religious matters, yet has violated this neutrality by supporting and distributing information to the general public that gives the impression that "sect-experts", who are only critical of all but the major churches, are in a position to provide the public with fair, objective, and politically neutral information about minority religions;

Whereas the Jehovah's Witnesses' application for recognition as a corporation under public law, which would have put them on

equal legal status with the Catholic and Protestant churches, was denied by the Federal Administrative Court because the church's doctrine of political neutrality was considered to be antidemocratic;

Whereas government officials and "sect-experts" are using the decision denying the Jehovah's Witnesses recognition as a corporation under public law as a justification for discriminatory acts against the Jehovah's Witnesses, despite the fact that a constitutional complaint is still pending before the German Constitutional Court;

Whereas adherents of the Muslim faith have reported that they are routinely subject to police violence and intimidation because of their ethnic and religious affiliation;

Whereas the 1994 and 1995 Reports to the Human Rights Commission of the United Nations on the application of the Declaration on the Elimination of All Forms of Intolerance and of Discrimination Based on Religion and Belief by the Special Rapporteur for Religious Intolerance criticized Germany for restricting the religious liberty of certain minority religious groups;

Whereas Germany, as a signatory to the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Helsinki Accords, is obliged to refrain from religious discrimination and to foster a climate of tolerance; and

Whereas Germany's policy of discrimination against minority religions violates German obligations under the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Helsinki Accords: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) continues to hold Germany responsible for protecting the rights of United States citizens who are living, performing, doing business, or traveling in Germany, in a manner consistent with Germany's obligations under international agreements to which Germany is a signatory;

(2) deplores the actions and statements of Federal, State, local, and party officials in Germany which have fostered an atmosphere of intolerance toward certain minority religious groups;

(3) expresses concern that artists from the United States who are members of minority religious groups continue to experience German government discrimination;

(4) urges the German government to take the action necessary to protect the rights guaranteed to members of minority religious groups by international covenants to which Germany is a signatory; and

(5) calls upon the President of the United States—

(A) to assert the concern of the United States Government regarding German government discrimination against members of minority religious groups;

(B) to emphasize that the United States regards the human rights practices of the Government of Germany, particularly its treatment of American citizens who are living, performing, doing business, or traveling in Germany, as a significant factor in the United States Government's relations with the Government of Germany; and

(C) to encourage other governments to appeal to the Government of Germany, and to cooperate with other governments and international organizations, including the United Nations and its agencies, in efforts to protect the rights of foreign citizens and members of minority religious groups in Germany.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. GILMAN] and the gentleman from New Jersey [Mr. PAYNE] each will control 20 minutes.